



NEWS RELEASE

CALIFORNIA STATE TREASURER PHIL ANGELIDES

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CALPERS, AT TREASURER ANGELIDES' URGING, CALLS ON CACI BOARD TO CONDUCT FULL INVESTIGATION AND HOLD MANAGEMENT RESPONSIBLE FOR INTERROGATORS' CONDUCT AT IRAQ PRISON

*Latest U.S. Army Investigation Found CACI Contract Interrogators
Deeply Involved In 'Inhumane to Sadistic' Abuses*

SACRAMENTO, CA – The California Public Employees Retirement System (CalPERS) - at the urging of California State Treasurer Phil Angelides – today called on the board of CACI International to undertake a full and independent investigation of the company's involvement in the abuses at Iraq's Abu Ghraib prison and to hold management fully responsible for any misconduct by CACI interrogators at the prison. Despite the recent resignation of CACI's President of U.S. Domestic Operations, L. Kenneth Johnson, Angelides remains concerned the board and management of CACI has failed to take responsibility for the company's conduct in the wake of allegations contained in the Army's "Fay-Jones" report. "It is time for CACI's Board of Directors to get out of denial and hold company executives accountable for any misconduct that has hurt both shareholders and the country," Angelides said.

Today's action by CalPERS, which owns approximately \$12 million worth of CACI stock, follows similar action by the California State Teachers Retirement System (CalSTRS)- also taken at the request of Treasurer Angelides - at the CalSTRS meeting last month. Over recent months, Angelides has expressed concern about CACI's contracting practices and its involvement in Abu Ghraib prison, which has exposed shareholders to financial risk and put the company at risk of being debarred from federal work – its major source of revenue.

"The U.S. Army's recently released 'Fay-Jones' report on the abuse of Iraqi detainees at Abu Ghraib prison confirms the worst fears of CACI's shareholders," Angelides said, "finding that this corporation's contract interrogators were deeply involved in the abuses, which the report describes as 'ranging from inhumane to sadistic.'" The Fay-Jones report found that CACI employees abused detainees, encouraged soldiers to abuse prisoners, and failed to report abuse they witnessed. In addition, it recommends that three CACI employees be referred to the Justice Department for possible prosecution.

Despite the report's findings – which attribute the abuses at Abu Ghraib to failures of both discipline and leadership – Angelides pointed out, "the management of CACI has failed to take responsibility for its role in these disturbing events, which represented a setback in the war on

terrorism and a black mark on America's reputation around the world. In fact, CACI's management has described itself as 'pleased' that its employees were not involved in any 'horrendous' acts, a sentiment that most readers of the Fay-Jones report will emphatically not share.

"I applaud the State's pension funds for calling on CACI's Board of Directors to act to ensure the accountability that shareholders deserve," Angelides added. "CACI's Board of Directors must independently investigate the breakdown of management, leadership and discipline at CACI that led to the company's involvement in the vile conduct at Abu Ghraib described in the Fay-Jones report. It must fully and promptly get all the facts out into the open and reform the company's practices."

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